COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)		
FILING OF JEFFERSON GAS, LLC)	CASE NO. 2010-	00003

ORDER

On February 16, 1999, in Case No. 1998-00499,¹ the Commission approved rates for Jefferson Gas Transmission Co., Inc. ("Jefferson") and provided for their further adjustment in accordance with Jefferson's Gas Cost Adjustment ("GCA") clause.

On January 4, 2010, Jefferson filed its proposed GCA to be effective February 1, 2010.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Jefferson's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Jefferson's proposed Expected Gas Cost ("EGC") is \$4.6485 per Mcf, which is an increase of \$.2383 per Mcf from the previous EGC of \$4.4102 per Mcf.
 - 3. Jefferson's notice sets out no current quarter refund adjustment.
- 4. Jefferson's notice sets out a current quarter Actual Adjustment ("AA") of (\$.1039) per Mcf. Jefferson's total AA is (\$2.0721) per Mcf, which is an increase of \$.2236 per Mcf from the previous total AA of (\$2.2957) per Mcf.

¹ Case No. 1998-00499, Petition of Jefferson Gas Transmission Co., Inc. for Adjustment of Rates (Ky. PSC Feb. 16, 1999).

5. Jefferson's GCA is \$2.5764 per Mcf, which is an increase of \$.4619 per Mcf from the previous GCA of \$2.1145 per Mcf.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Jefferson on and after February 3, 2010. Jefferson did not give the 30 days' notice required for an increase in rates to take effect February 1, 2010.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for billing for service rendered by Jefferson on and after February 3, 2010.

2. Within 20 days of the date of this Order, Jefferson shall file its revised tariffs with this Commission, setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED

FEB - 2 2010

KENTUCKY PUBLIC SERVICE COMMISSION

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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00003 DATED FEB - 2 2010

The following rates and charges are prescribed for the customers served by Jefferson Gas, LLC. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates:

	Base Rate	Gas Cost	Rate per Mcf
Minimum Bill - First Mcf	\$3.89	\$2.5764	\$6.4664
Over 1 Mcf	\$2.26	\$2.5764	\$4.8364

Bert Layne Jefferson Gas Transmission Co., Inc. 220 Lexington Green Circle, Ste. 130 P. O. Box 24032 Lexington, KY 40503-3333